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Message Text

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ACTION COME-00

INFO OCT-01 EA-12 ISO-00 EB-08 CIAE-00 DODE-00 DOTE-00
FMC-02 INR-07 NSAE-00 CG-00 DLOS-09 OES-07 /046 W
----------113548 071017Z /14
P R 070910Z OCT 77
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC PRIORITY 5172
INFO AMEMBASSY TOKYO

UNCLAS TAIPEI 6121

DEPT PASS TO R. H. YAWELL, ASST. ADMINISTRATOR FOR
MARITIME AIDS, MARAD, USDOC, WASHDC

E.O. 11652: N/A
TAGS: EWWT, TW
SUBJECT: BULKER, GOOD HARVEST

REF : (A) WA-77-0641; (B) TOKYO 14554 (77-122);
(C) TOKYO 14617 (77-224)

1. FOLLOWING IS A REPORT ON GOOD HARVEST MARINE COMPANY (GHMC) AND SOME ASPECTS OF THEIR RELATIONSHIP WITH FALCON. MOST OF THE INFORMATION WAS OBTAINED DURING A MEETING WITH GHMC PRESIDENT T. F. YAO AND STAFF:

A) CONTRACT: GHMC AND FALCON ARE PRESENTLY NEGOTIATING, IN A PRELIMINARY FASHION, FOR A SEVEN-YEAR TIMECHARTER FOR THREE OF THE PROPOSED BULKERS. GHMC PRESENTLY HAVE ON THREE-YEAR BAREBOAT A BREAKBULK PANAMANIAN VESSEL NAMED GOLDEN HERO, FROM CHARWHY MARINE IN NEW YORK, WHICH IS AN AFFILIATE OF FALCON. GHMC ADVISE THEY WILL HAVE NO FINANCIAL INTEREST IN THE PROPOSED BULKERS.

B) CARGO: WITH RESPECT TO THE CARGO MOVEMENT OUTLINED IN REFTEL A, GHMC ADVISE THAT THEY WOULD DEPEND SOLELY
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ON P.L. 480 CARGO FOR GRAIN MOVEMENT USA/ASIA. FOR SUGAR TO USA, GHMC HAVE ENTERED INTO PRELIMINARY NEGOTIATIONS WITH A PHILIPPINE SUGAR COMPANY (THROUGH A BROKER IN TAIPEI) AND DIRECT, PRELIMINARY NEGOTIATIONS WITH THE TAIWAN SUGAR CORPORATION (ONE OF THE LARGEST FIRMS IN TAIWAN). INFORMATIVELY, GHMC NOW CARRY A SUBSTANTIAL AMOUNT OF SUGAR FROM TAIWAN TO PORTS IN RED SEA,

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PERSIAN GULF AND NIGERIA ON THEIR LINER SERVICE.
RGHMC ALSO NEGOTIATING DIRECTLY WITH B.V.P. STEEL CORP.,
IN BOMBAY, ON POSSIBILITY OF MOVING ORE FROM GOA TO
WAKAYAMA AND YAWATA. ALSO MENTIONED WAS POSSIBILITY
OF CARRYING PHOSPHATE ROCK FROM AQABA TO KAOHSIUNG
(AT PRESENT GHMC ARE ACTIVE IN THIS TRADE, ON AN
AFFREIGHTMENT BASIS OF APPROXIMATELY 240,000 M.T.
ANNUALLY. AFFREIGHTMENT CONTRACT RENEWED YEARLY), AND
JAPANESE PORTS.

C) OPERATIONS: FOLLOWING IS MORE ACCURATE DESCRIPTION
GHMC OPERATIONS AND PARTIALLY CORRECTS PREVIOUS INFOR-
MATION CONTAINEDREFTEL B PARA ONE SEE AND REFTEL C
PARA ONE. GHMC OWN AND OPERATE NINE BREAKBULK VESSELS
ALL PANAMANIAN REGISTRY AND ALL WITH TAIWANESE CREW.
TWO OF THESE HAVE OUTSTANDING MORTAGES OF USD 700,000
EACH WITH INTERNATIONAL CREDIT ALLIANCE IN HONGKONG.
GHMC ALSO OPERATE TWO SMALL TANKERS (70,000 AND 55,000
DWT) FOR NATIONAL IRANIAN TANK CORP. THESE ARE
IRANIAN REGISTERED WITH TAIWANESE CREW AND ARE
PRESENTLY SHUTTLING IN PERSIAN GULF ALTHOUGH, UNTIL
RECENTLY, THEY TRADED WORLDWIDE. THE OPERATING CON-
TRACT IS FOR 15 YEARS.

TRADING PATTERN OF THE NINE VESSELS IS SIMPLE AND
STRAIGHTFORWARD. FIVE OF THEM CARRY GENERALS, PLYWOOD,
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TIMBER, SUGAR, RICE AND STEEL PRODUCTS FROM PORTS IN
TAIWAN, HONGKONG, SINGAPORE, JAPAN, KOREA TO PORTS IN
SAUDI, SUDAN AND JORDON. RETURN CARGO IS MOSTLY
PHOSPHATE ROCK. THE OTHER FOUR VESSELS CARRY THE SAME
CARGO FROM THE SAME PORTS TO PORTS IN NIGERIA (PRINCI-
PALLY LAGOS) AND RETURN WITH CHROMEORE LOADED IN
MANPUTO (MOZAMBIQUE).

WITH RESPECT TO THE NINE VESSELS, THE OLDEST IS 26
YEARS, THE NEWEST IS 20 YEARS. THE HIGHEST DWT IS 14,000
AND THE LOWEST IS 9,500. HALF SHIPS BUILT IN JAPAN;
OTHER HALF IN EUROPE.

GHMC PLAN TO PURCHASE TWO MORE VESSELS IN NEAR FUTURE
AND HOPE TO CONCLUDE AN OPERATING CONTRACT OR JOINT
VENTURE ARRANGEMENT WITH CHINA OVERSEAS CORP. FOR THREE
MORE VELLSELS. ALL OF THESE VESSELS WOULD BE INTE-
GRATED INTO THE PRESENT TRADE ROUTES.

D) STAFF: GHMC HAVE 35 IN TAIPEI AND EIGHT IN THEIR
HONG KONG OFFICE.

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E) FINANCIAL: GHMC IS A CORPORATION. YAO CONTROLS TWO-THIRDS OF STOCK, TWO OTHER OFFICERS CONTROL OTHER THIRD. THE 1976 NET PROFIT OF CHARHWA MARINE WAS USD 3 MILLION (SEE REFTEL B PARA ONE (A) AND CHANGE TEN YEARS TO SEVEN YEARS). OTHER FINANCIAL INFORMATION OBTAINED BY AMEMBASSY TAIPEI AND BANKAMERICA TOKYO BEING SENT BY MAIL NEXT WEEK. AT MY REQUEST, GHMC HAVE PROVIDED LETTERS OF INTRODUCTION TO THREE FINANCIAL INSTITUTIONS WITH WHICH THEY MAINTAIN ACCOUNTS (TWO IN HONG KONG, ONE IN TAIPEI). THE LETTERS AUTHORIZE OFFICERS IN EACH INSTITUTION TO DISCLOSE TO ME GHMC CURRENT ACCOUNT INFORMATION. WILL VISIT THE TAIPEI BANK EARLY NEXT WEEK AND REVERT.

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F) BIOGRAPHY: REVERTING WITH BIOGRAPHICAL DATA PRINCIPAL OFFICERS. SOMECK.
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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 07-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
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Disposition Reason:
Disposition Remarks:
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